REMARKS

This response amends claim 1. Support for the amendment can be found, e.g., at Fig. 4C and pages 5-6 of the specification.

In sections 1-2 of the Office Action, the Examiner rejects claims 1 and 4-6 under 35 USC 102(e) as being anticipated by Hiroshi (US Patent No. 5,995,186). Moreover, in section 3, claims 1-3 are rejected under 35 USC 102(e) as being anticipated by Yoshida et al. (US Patent No. 6,642,984). In section 5, claim 7 is rejected under 35 USC 103(a) as being unpatentable over either Hiroshi or Yoshida et al. in view of Wiltshire (US Patent No. 5,313,562). These rejections are respectfully traversed.

Hiroshi, Yoshida et al., or Wiltshire, standing alone or in combination, fails to disclose, teach, or suggest, inter alia, the following features recited by claim 1 of the present application:

"a second electrode with a second end, formed on the first substrate, a discharge gap being axially formed between the first end and the second end"; and

"wherein when an external voltage is applied between the first and the second electrodes, an axially symmetric electrical field is generated to change the arrangement of the liquid crystal molecules".

Hiroshi relates to an IPS liquid crystal display that is large in area and exhibits a wide viewing angle. However, Hiroshi does not teach or suggest that the discharge gap is **axially** formed between the first end and the

second end. The discharge gap disclosed by Hiroshi is **transversely** formed between the first electrode and the second electrode, and an electrical field is thus transversely generated to change the arrangement of the liquid crystal molecules. (see Hiroshi, col. 3, lines 10-14 and figures 2b and 2d).

Yoshida et al. discloses a liquid crystal display device utilizing an oblique electric field. Yoshida et al. does not teach or suggest that the discharge gap is axially formed between the first end and the second end, either. The discharge gap disclosed by Yoshida et al. is transversely formed between the first electrode and the second electrode, and an electrical field is thus transversely generated to change the arrangement of the liquid crystal molecules. (see Yoshida, col. 10, line 65-col. 11, line 2 and figure 5B).

Accordingly neither Hiroshi nor Yoshida et al. discloses or fairly suggests the discharge gap is axially formed between the first end and the second end and an axially symmetric electrical field is generated to change the arrangement of the liquid crystal molecules as shown in embodiments of the present invention. As described page 3, lines 1-4 of the specification, "electrodes located in the display cell will reduce light transmittance.

Conventional IPS mode LCD devices all suffer from small open ratio and inadequate brightness." The structures of Hiroshi and Yoshida et al. would have these disadvantages, which greatly affect optic performance of LCD devices.

Wiltshire discloses an electrically-controllable wave plate and a polarisation controller including such wave plate. Wiltshire is cited only as being relevant to features recited by claim 7 of the present application. The

Examiner does not show that Wiltshire teaches the above-quoted features of claim 1.

MPEP 2131 states that a "claim is anticipated only if **each and every element** as set forth in the claim is found, either expressly or inherently described, in a single prior art reference," quoting *Verdegaal Bros v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir. 1987). Under MPEP 2143, to establish a prima facie case of obviousness, the prior art reference (or references when combined) must teach or suggest all the claim limitations. Since the cited references fail to teach or suggest all limitations of claim 1, the Applicants respectfully submit that claim 1 is patentable. Claims 2-7 are also patentable, at least by virtue of their dependency from claim 1.

The Applicants believe that all pending claims are patentable.

Reconsideration of the present application is respectfully requested.

Prompt issuance of a Notice of Allowance is earnestly solicited.

The Commissioner is authorized to charge any additional fees which may be required or credit overpayment to deposit account No. 12-0415. In particular, if this response is not timely filed, then the Commissioner is authorized to treat this response as including a petition to extend the time period pursuant to 37 CFR 1.136 (a) requesting an extension of time of the number of months necessary to make this response timely filed and the petition fee due in connection therewith may be charged to deposit account no. 12-0415.

Enclosed please find a copy of Troy Guangyu Cai's Notice of Limited

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(Date of Deposit)

Troy Guangyu Cai

(Name of Person Signing)

(Signature)

2/29/2004

(Date)

Respectfully submitted,

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